GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:350
ANSWERED ON:13.12.2002
CONTRACT FARMING FOR SILK PRODUCTION
CHANDRA NATH SINGH;JASKAUR MEENA

Will the Minister of TEXTILES be pleased to state:

(a) Whether the Central Silk Board propose to introduce contract farming to promote production of popular varieties of silk;

(b) if so, the details thereof, State-wise;

(c) the steps being taken by the Government to save the small silk farmers from middle men and to ensure remunerative prices of their produce; and

(d) the measures being taken by the Government to promote Indian silk industry in view of stiff competition from china?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) to(d) A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No. 350 for 13/12/2002.

(a) & (b) Central Silk Board has no commercial operations but it would encourage strengthening of linkages between producers and the industry in line with the National Textile Policy 2000, and in this regard, facilitate corporates or large reelers in contract farming so as to help farmers to get remunerative and stable prices.

(c) Mulberry cocoons are generally sold by farmers in markets set up and regulated by State Governments, so that middlemen stand eliminated. Besides, CSB operates Raw Material Banks and provides Margin Money Loan to the State Marketing Agencies to ensure fair price to primary farmers. In the current year some State Governments have formulated short duration scheme for providing incentive of Rs. 10/- per kg. of cocoons to farmers on cost sharing basis by the Centre and the respective State in the ratio of 50:50, in order to provide relief to farmers from falling cocoon prices.

(d) The Government is taking several steps to promote Indian Silk Industry -

(i) Govt. have initiated a production programme of high quality bivoltine silk to improve quality of Indian silk to international standards and its productivity & cost competitiveness.

(ii) Several Central and Centrally sponsored schemes are being implemented to supplement the efforts of the State Governments to improve technologies at all stages of the process of silk development and expand production.

(iii) For Technological up-gradation of the industry, loan at 5% point less than applicable rate, under the Technological Up-gradation Fund Scheme for the Textiles sector is available inter alia to the silk sector.

(iv) Import of raw silk has been liberalized by being brought under OGL, which has increased availability of good quality silk.

(v) Government has rationalized value addition/Input-output norms specified under the EXIM Policy extended to exporters, the facility of duty free import of raw material under the Advance Licensing Scheme, import of capital goods at concessional rate of duty for export products.

(vi) The Government is providing assistance to the Indian Silk Export Promotion Council, Mumbai for undertaking various export promotion activities such as participation in international fairs, organizing generic promotion stalls in domestic fairs like TexStyles India, Publicity in foreign trade magazines, publication of magazine `Silk India` and colour forecast card for domestic silk manufacturers, dissemination of overseas trade information among exporters, etc.